

Notice of Plan Administrator Address Change

All written correspondence in connection with your investment plan should be mailed to Computershare Trust Company, N.A. (the “Plan Administrator”) at:

Regular mail:

Computershare
P.O. Box 505000
Louisville, KY 40233-5000

For overnight delivery service:

Computershare
462 South 4th Street
Suite 1600
Louisville, KY 40202



All written correspondence should contain your account number and the name of the security that appears on your stock certificate or account statement. Please note that if the Plan Administrator listed in the enclosed plan document differs from the above, then Computershare Trust Company, N.A. is now the Plan Administrator for this plan. Computershare, Inc. acts as service agent to Computershare Trust Company, N.A. under the plan. The terms and conditions of this plan remain in force. To contact us or view online information about this plan, please visit www.computershare.com/investor. To call us, please use the phone number included on the enclosed form.

The terms and conditions for sales for this plan have been changed to the following:

You may sell some or all of your stock held in your plan account, even if you are not withdrawing from this plan. You may sell your shares either through your broker or through Computershare.

If you elect to sell through a broker that you have selected, you must first request Computershare to move your shares to the Direct Registration System and then have your broker request Computershare to electronically transfer the number of whole shares you want to sell through the DRS Profile System. Alternatively, you may request Computershare to send you a certificate representing the number of shares you want to sell. Issuance of a stock certificate may be subject to a transaction fee.

Computershare will generally move your shares to DRS or issue certificates for your shares approximately three business days after your request is received.

Alternatively, you may send Computershare a request to sell some or all of the shares held in your plan account. You have the following choices when making a sale:

- *Batch Order:* A batch order is an accumulation of all sale requests by any security holder for a security submitted together as a collective request. Batch orders are submitted on each trading day, to the extent that there are sale requests. Sale instructions for batch orders received by Computershare will be processed no later than five business days after the date on which the order is received (except where deferral is required under applicable federal or state laws or regulations), assuming the applicable market is open for trading and sufficient market liquidity exists. You may request a batch order sale by calling Computershare directly at 1-800-368-5948 or by writing to Computershare. All sales requests received in writing will be submitted as batch order sales. Computershare will cause your shares to be sold in the open market within five business days of its receipt of your request. To maximize cost savings for batch order sale requests, Computershare will seek to sell shares in round lot transactions. For this purpose Computershare may combine each selling Plan participant's shares with those of other selling Plan participants. In every case of a batch order sale, the price to each selling Plan participant will be the weighted average sale price obtained by Computershare's broker for each aggregate order placed by Computershare and executed by the broker, less a service fee of \$15 and a processing fee of \$0.12 per share sold.
- *Market Order:* A market order is a request to sell shares promptly at the then current market price. You may request a market order sale only online at www.computershare.com/investor or by calling Computershare directly at 1-800-368-5948. Market order sale requests made in writing will be submitted as batch order sales. Market order sale requests received online or by telephone will be placed promptly upon receipt during normal market hours (9:30 a.m. to 4:00 p.m. Eastern Time). Any orders received after 4:00 p.m. Eastern Time will be placed promptly on the next trading day. The price will be the market price for shares obtained by Computershare's broker, less a service fee of \$25 and a processing fee of \$0.12 per share sold. Computershare will use commercially reasonable efforts to honor requests by participants to cancel market orders placed outside of market hours. Depending on the number of shares being sold and current trading volume in the shares, a market order may only be partially filled or not filled at

all on the trading day in which it is placed, in which case the order, or remainder of the order, as applicable, will be cancelled at the end of such day. To determine if your shares were sold, you should check your account online at www.computershare.com/investor or call Computershare directly at 1-800-368-5948. If your market order sale was not filled and you still want the shares to be sold, you will need to re-enter the sale request.

- *Day Limit Order:* A day limit order is an order to sell shares of our common stock when and if they reach a specific trading price on a specific day. The order is automatically cancelled if the price is not met by the end of that day (or, for orders placed during aftermarket hours, the next trading day the market is open). Depending on the number of shares of our common stock being sold and the current trading volume in the shares, such an order may only be partially filled, in which case the remainder of the order will be cancelled. The order may be cancelled by the applicable stock exchange, by Computershare at its sole discretion or, if Computershare's broker has not filled the order, at your request made online at www.computershare.com/investor or by calling Computershare directly at 1-800-368-5948. There is a service fee of \$25 and a processing fee of \$0.12 per share sold for each Day Limit Order sale.
- *Good-Til-Cancelled ("GTC") Limit Order:* A GTC limit order is an order to sell shares of our common stock when and if the shares reach a specific trading price at any time while the order remains open (generally up to 30 days). Depending on the number of shares being sold and current trading volume in the shares, sales may be executed in multiple transactions and over more than one day. If an order remains open for more than one day during which the market is open, a separate service fee will be charged for each such day. The order (or any unexecuted portion thereof) is automatically cancelled if the trading price is not met by the end of the order period. The order may be cancelled by the applicable stock exchange, by Computershare at its sole discretion or, if Computershare's broker has not filled the order, at your request made online at www.computershare.com/investor or by calling Computershare directly at 1-800-368-5948. There is a service fee of \$25 and a processing fee of \$0.12 per share sold for each Good-Til-Cancelled Limit Order sale.
- *General:* All sales requests processed over the telephone by a customer service representative entail an additional fee of \$15.00. All per share fees include any brokerage commissions Computershare is required to pay. Fees are deducted from the proceeds derived from the sale. Any fractional share will be rounded up to a whole share for purposes of calculating the per share fee. Computershare may, under certain circumstances, require a transaction request to be submitted in writing. Please contact Computershare to determine if there are any limitations applicable to your particular sale request. Proceeds are normally paid by check, which are distributed within 24 hours of after your sale transaction has settled.

Computershare reserves the right to decline to process a sale if it determines, in its sole discretion, that supporting legal documentation is required. Instructions sent to Computershare to sell shares are binding and may not be rescinded. In addition, no one will have any authority or power to direct the time or price at which shares for the Plan are sold, and no one, other than Computershare, will select the broker(s) or dealer(s) through or from whom sales are to be made.

Notice of Amendment to Plan

The pricing methodology for open market purchases set forth in the attached document is no longer applicable and has been superseded by the following:

Share Purchases under the Plan

Under the Plan, directions to purchase shares on a specific day or at a specific price cannot be accepted. The actual purchase date or price paid for any shares purchased through the Plan cannot be guaranteed.

Computershare may combine Plan participant purchase requests with other purchase requests received from other Plan participants and may submit the combined purchase requests in bulk to Computershare's broker as a single purchase order. Purchase requests may be combined, at Computershare's discretion, according to one or more factors such as purchase type (e.g., dividend reinvestment, one-time ACH, check, etc.), request date, or request delivery method (e.g., online, regular mail, etc.). Computershare will submit bulk purchase orders to its broker as and when required under the terms of the Plan. Computershare's broker may execute each bulk purchase order in one or more transactions over one or more days, depending on market conditions. Each participant whose purchase request is included in each bulk purchase order will receive the weighted average market price of all shares purchased by Computershare's broker for such order.

Please retain this notice for future reference

In addition to making optional cash payments by check, you may now make automatic monthly investments to purchase additional shares.

If you wish to begin making automatic monthly investments, you may visit www.computershare.com/investor to authorize automatic monthly investments from your bank account. Computershare will process your enrollment as promptly as practicable. However, you should allow four to six weeks for the first investment to be initiated using this automatic deduction feature. You may also visit www.computershare.com/investor to authorize automatic monthly investments. Please see the attached plan prospectus for the minimum and maximum investment amounts. Each monthly debit will entail a transaction fee of \$2.50 which will be deducted from the investment amount.

Once you begin making automatic monthly investments, Computershare will draw funds from your designated account quarterly on the 27th of February, May, August and November or the next business day if the 27th is not a business day, and will purchase shares beginning on the next investment date. You may change the amount of your automatic monthly investment online at www.computershare.com/investor. You may discontinue automatic monthly investments online at www.computershare.com/investor or by notifying Computershare in writing.

You may also make a one-time online debit from your bank account to purchase shares through www.computershare.com/investor. Each one-time online debit to purchase shares will entail a transaction fee of \$5.00 which will be deducted from the investment amount.

Juniata Valley Financial Corp.

Dividend Reinvestment Plan

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Amended October 14, 2005

Juniata Valley Financial Corp.
Frequently Asked Questions – Dividend Reinvestment Plan

The following is a question and answer statement explaining the provisions of Juniata Valley's Amended and Restated Dividend Reinvestment Plan as of October 14, 2005. It is intended to be a summary of the Plan, for quick reference. In the event of any conflict between the answers to these questions and the Plan, the more detailed provisions of the Plan will control.

Purpose

1. What is the purpose of the Plan?

The purpose of the Plan is to provide the shareholders of Juniata Valley with a simple and convenient method of investing cash dividends and voluntary cash contributions in additional shares of Juniata Valley common stock.

Advantages

2. What are the advantages of the Plan?

The Plan is advantageous to the shareholders by permitting them to acquire additional shares of the common stock of Juniata Valley automatically and at no brokerage commission when Stock is purchased from Juniata Valley.

Along with automatic dividend reinvestment, the Plan also affords shareholders an easy way to purchase additional shares of Stock with voluntary cash payments. Participants may increase the amount of their investment by making voluntary cash contributions of up to \$3,000 annually, with a minimum of \$500 per deposit. Under the Plan, recordkeeping is simplified by the issuance, after each dividend investment, of a detailed statement of participants' accounts, including the cost basis of the whole and fractional shares purchased.

Administration

3. Who administers the Plan?

Juniata Valley has appointed its transfer agent, Registrar and Transfer Company, as administrator of the Plan. The administrator acts as agent for the Plan participants (the "Plan Agent"). The Plan Agent will perform administrative functions and services, such as the purchase of Stock pursuant to the Plan. Juniata Valley may choose a new administrator at any time.

To contact the Plan Agent, you may access the website at www.rtco.com, call 1-800-368-5948 or write to the Plan Agent at the following address:

Registrar and Transfer Company
Attn: Dividend Reinvestment Department
P.O. Box 664
Cranford, NJ 07016-9896

4. What are the duties of the Plan Agent?

The Plan Agent performs various administrative duties relating to the Plan. These include:

- Holding shares of Juniata Valley Stock for Plan accounts.
- Receiving cash dividend payments for participants.
- Receiving voluntary cash payments from participants.
- Investing those amounts in shares of Juniata Valley common stock.
- Maintaining continuing records of each participant's account.
- Sending statements of account and other notices to participants.
- Advising participants as to all transactions in and the status of their accounts.

Participation

5. Who is eligible to participate in the Plan?

All holders of record of Juniata Valley common stock are eligible to participate in the Plan. If you do not hold shares registered in your name but instead, hold shares through a broker, bank or other nominee, you must become a shareholder of record by having all or a part of your shares transferred into your own name in order to participate in the Plan.

Juniata Valley may refuse to allow certain shareholders to participate if those shareholders live in states which have additional securities registration or other burdensome requirements with respect to the Plan. Regulations in certain countries may limit or prohibit participation in a dividend reinvestment plan. Accordingly, persons residing outside the United States who wish to participate in the Plan should first determine whether they are subject to any governmental regulation prohibiting their participation.

6. How does an eligible shareholder enroll in the Plan?

Any eligible shareholder may enroll in the Plan by completing and signing an Authorization Card and returning it to the Plan Agent. The Plan Agent will send any shareholder an Authorization Card upon written or oral request. See Question 3 for information on how to contact the Plan Agent.

7. When may an eligible shareholder enroll in the Plan?

An eligible shareholder may enroll in the Plan at any time. If the Authorization Card requesting reinvestment of dividends is received by the Plan Agent on or before the Record Date established for a particular dividend, reinvestment will commence with that dividend. If the Authorization Card is received by the Plan Agent after the Record Date established for a particular dividend, the reinvestment of dividends will begin on the dividend payment date following the next Record Date if the shareholder is still a holder of record on that Record Date.

8. May a shareholder enroll as to some, but not all, shares held of record?

Yes, a shareholder may enroll in the Plan as to some, but not all shares of common stock owned of record by the shareholder.

Voluntary Cash Contributions

9. How may voluntary cash contributions to the Plan be made?

Each participant in the Plan may make voluntary cash contributions to the Plan up to a total amount of \$3,000 each year, with a minimum of \$500 per deposit. The same amount need not be invested each time a voluntary cash contribution is made. Participants are under no obligation to make any voluntary cash contributions. A voluntary cash payment may be made by forwarding a check drawn from a U.S. bank in U.S. currency payable to Registrar and Transfer Company. Because participants will not be credited with interest on their voluntary cash contributions and because the Plan Agent is prohibited from holding such voluntary cash contributions for extended periods of time prior to investing them, participants are strongly encouraged to submit voluntary cash contributions as near as possible to the applicable dividend payment date. Voluntary cash payments may be received by the Plan Agent no more than thirty (30) days prior to the dividend payment date. Any payments received by the Plan Agent earlier than this time will be returned to the shareholder.

10. How will voluntary cash contributions be used?

The Plan Agent will apply each voluntary cash payment received from a participant within thirty (30) days prior to the dividend payment date to the purchase of Stock for the account of that participant on the next dividend payment date. A voluntary cash contribution will not be deemed to have been made by a participant or received by the Plan Agent until the funds so contributed are actually collected. Interest will not be paid on cash contributions. Payments received more than thirty (30) day prior to a dividend payment date will be returned.

11. May voluntary cash contributions be returned to a participant?

Yes. Voluntary cash contributions will be returned to a participant if the Plan Agent receives the cash contributions prior to thirty (30) days before a dividend payment date. In addition, cash contributions will be returned upon written request to the Plan Agent, provided that the request is received no later than the last business day prior to the next scheduled Record Date.

Purchases

12. What is the source of the Stock purchased under the Plan?

The Plan Agent will purchase Stock in a number of ways. The Stock may be purchased directly from Juniata Valley, in which event the shares purchased will be either authorized but unissued shares or shares held in the treasury of Juniata Valley. The Plan Agent may also purchase Stock on the open market, or by a combination of these means.

13. How will the price of shares purchased under the Plan be determined?

The price of the shares purchased from Juniata Valley will be no more than the fair market value of the shares as of the Record Date. As defined in the Plan, “fair market value” on a particular date means (i) the closing sale price of the Stock as reported on the OTCBB by the National Association of Securities Dealers Automated Quotation System (NASDAQ); or (ii) if no closing sale price is reported on the given date, the closing sale price of a share of Stock on the next preceding day on which the Stock was traded, as reported on the OTCBB by NASDAQ. The price of shares purchased on the open market will be the average cost (including brokerage commissions) to the Plan Agent of such purchases.

14. What is the Record Date?

“Record Date” means the date on which a person must be registered as a shareholder on the records of Juniata Valley in order to receive a dividend. Historically, the Record Dates of Juniata Valley have been at least fourteen (14) days prior to the dividend payment date.

15. How many shares will be purchased by the Plan Agent for a participant in the Plan?

The number of shares to be purchased for a participant by the Plan Agent will depend on the amount of the participant’s dividend and voluntary cash payment, if any, and the price of the shares. Each participant’s account will be credited with the number of whole and fractional shares equal to the amount to be invested divided by the applicable purchase price. Fractional shares shall be calculated to four (4) decimal places.

16. When will shares be purchased?

Shares acquired from Juniata Valley will be purchased as of the close of business on the applicable dividend payment date. Shares of common stock acquired on the open market may be purchased at any time, but in any event, no later than thirty (30) days after the dividend payment date. Dividend and voting rights will commence upon settlement of the purchase. For the purposes of making purchases, the Plan Agent will commingle each participant’s funds with those of all other participants.

Dividends

17. How will dividends be paid on shares held by the Plan Agent?

As the record holder of the shares held in participants’ accounts under the Plan, the Plan Agent will receive dividends on all such shares held in the Plan on each dividend Record Date. The Plan Agent will credit dividends to participants’ accounts on the basis of whole or fractional shares held in each account under the Plan and will automatically reinvest these dividends in Juniata Valley’s common stock.

Costs

18. What are the costs to a participant in the Plan?

No brokerage fees will be charged to participants in connection with the purchase of common stock from Juniata Valley. Participants will be charged the actual cost (including brokerage commissions) of all shares purchased in the open market. All other costs of administration of the Plan will be borne by Juniata Valley; however, a nominal service

charge will be deducted from a participant's account at the time of the participant's withdrawal from the Plan (currently the withdrawal fee is \$10) or at any time any share certificate is requested by a participant.

Reports to Participants

19. What kind of reports will be sent to participants in the Plan?

As soon as practicable after completion of each investment on behalf of a participant, the Plan Agent will mail to the participant a statement showing: (i) the amount of the dividend and the voluntary cash contribution, if any, applied toward such investment; (ii) the taxes withheld, if any; (iii) the net amount invested; (iv) the number of shares purchased; (v) the average cost per share, including any brokerage commissions paid; and (vi) the total shares accumulated under the Plan, computed to four (4) decimal places. Annually, the Plan Agent will send each participant an Internal Revenue Service Form 1099 reporting dividend income received by the participant.

Certificates for Shares

20. Will certificates be issued for shares purchased?

All shares purchased under the Plan will be registered in the name of the Plan Agent or its nominee, as agent for the participants. Certificates for such shares will not be issued to participants unless requested in writing. Certificates for any number of whole shares will be issued to a participant within 15 days of a written request to the Plan Agent signed by the participant. Any remaining whole or fractional shares will continue to be held by the Plan Agent as the agent for the participant. Certificates for fractional shares will not be issued under any circumstances.

Voting Rights

21. How will shares held by the Plan Agent be voted?

For each meeting of shareholders, the Plan Agent will forward a proxy card to each participant and will vote the participant's shares in accordance with the instructions received from the participant. The shares of a participant who does not return a properly executed proxy card will not be voted.

Change in the Number of Outstanding Shares

22. What happens to the number of shares of Stock available under the Plan if there is a change in the number of outstanding shares of Juniata Valley due to a stock split, stock dividend or recapitalization?

If there is an increase or decrease in the number of outstanding shares of Juniata Valley common stock due to a stock split, payment of stock dividend or a recapitalization, then, the maximum number of shares of common stock offered under the Plan will be proportionately increased or decreased.

23. What happens to the Stock in participants' accounts if Juniata Valley declares a stock dividend or a stock split?

If Juniata Valley declares any stock dividend or stock split, the stock dividend or stock split will be paid with respect to shares held by the Plan Agent for a Plan participant's account as well as with respect to shares registered in the participant's name. Stock dividends or stock split shares distributed on shares of Stock registered in a participant's name will be mailed directly to the participant in the same manner as shares will be mailed to shareholders who do not participate in the Plan.

24. What happens if Juniata Valley makes a rights offering?

In the event of a rights offering by Juniata Valley, the Plan Agent will sell rights received on shares held of record by the Plan Agent and will invest the proceeds of sale in additional shares of Stock. The additional shares of Stock purchased with the proceeds will be retained by the Plan Agent and credited proportionately to the accounts of the participants. A participant who wishes to exercise such rights individually must request the Plan Agent to forward a share certificate to the participant (see Question 20 above). Such request must be made prior to the Record Date for exercising such rights. Rights on shares of Stock registered in the name of a participant will be mailed directly to the participant.

Withdrawal; Amendment or Termination of Plan

25. How and when may a participant withdraw from the Plan?

A participant may terminate participation in the Plan by at any time by giving written notice to the Plan Agent. Within 15 days after the date on which such notice is received by the Plan Agent (the "Termination Date"), the Plan Agent will deliver to the participant (i) a certificate for all whole shares held under the Plan and (ii) a check in lieu of the issuance of any fractional share in the participant's account, equal to the fractional share held under the Plan multiplied by the fair market value per share of the Stock on the Termination Date.

26. May the Plan be amended or terminated?

Yes. Juniata Valley may amend, supplement, suspend, modify or terminate the Plan at any time without the approval of the participants. Thirty (30) days' notice of any suspension or material amendment shall be sent to all participants, who shall in all events have the right to withdraw from the Plan.

Federal Income Tax Consequences

27. What are the federal income tax consequences of participation in the Plan?

When the Plan Agent buys shares with reinvested dividends for Plan accounts directly from Juniata Valley, each participant is deemed, for federal income tax purposes, to receive a dividend equal to the fair market value of the shares purchased for that participant's account.

The "fair market value" of a share, for federal income tax purposes, is the average of the highest and lowest sale prices of Juniata Valley common stock, as reported on the OTCBB, on the date of sale. If there are no other sales of Juniata Valley common stock on the date of sale, "fair market value" is the weighted average of the means between the highest and

lowest sale prices on the nearest date before and the nearest date after the date Juniata Valley pays the dividend.

The “fair market value” of a share, for federal income tax purposes, is not necessarily equal to the “fair market value” at which the Plan Agent purchased the shares under the Plan as discussed in question number 13. For this reason, “fair market value” as shown on a participant’s statement of account may be different from the amount shown on a participant’s Form 1099 for federal income tax purposes.

When the Plan Agent buys shares with reinvested dividends for Plan accounts in the open market, each participant is deemed, for federal income tax purposes, to receive a dividend equal to the total amount of cash used to purchase shares on that participant’s account, less the brokerage commissions paid by the Plan Agent on behalf of the participant.

28. When and how are gains and losses determined?

A participant will realize a gain or loss whenever a participant sells shares purchased under the Plan and whenever a participant receives a cash payment for a fractional share credited to the participant’s account. The amount of gain or loss will be the difference between the amount the participant receives for the full or fractional shares and the participant’s tax basis for the shares. The tax basis of a share acquired directly from Juniata Valley will equal its “fair market value,” as defined for federal income tax purposes, on the date Juniata Valley pays the dividend or the date the Plan Agent buys shares with voluntary cash payments. The tax basis of a share acquired in the open market will equal its purchase price plus any trading expense.

THE FOREGOING SUMMARIZES THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND DOES NOT INCLUDE A DISCUSSION OF STATE OR LOCAL TAX CONSEQUENCES OF THE PLAN. IT DOES NOT ADDRESS THE PARTICULAR CIRCUMSTANCES OF INDIVIDUAL PARTICIPANTS. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR FOR FURTHER INFORMATION ON THE FEDERAL, STATE AND LOCAL INCOME TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN.

Other Information

29. Who should be contacted with questions concerning the Plan?

All inquiries concerning the Plan should be directed to:

Ms. JoAnn N. McMinn
Senior Vice President and Chief Financial Officer
The Juniata Valley Bank
P. O. Box 66
Mifflintown, PA 17059

30. Who will interpret the provisions of the Plan?

Any questions of interpretation arising under the Plan will be determined by Juniata Valley’s Board of Directors pursuant to applicable federal and state law and the rules and regulations of all regulatory authorities, which determination shall be final and binding on all participants.

31. What are the responsibilities of Juniata Valley and the Plan Agent, if any, with respect to the Plan?

Neither Juniata Valley nor the Plan Agent will be liable for any act performed in good faith or for any good faith failure to act. This includes any claim of liability:

- Arising out of failure to terminate a participant's account upon the participant's death or judicially determined incapacity before receipt of written notice of death or incapacity.
- With respect to the prices at which shares of Juniata Valley common stock are bought or sold, the times the shares are bought or sold, and the parties from whom the shares are bought or to whom the shares are sold.

Neither Juniata Valley nor the Plan Agent can provide any assurance of a profit or protection against loss on any shares purchased under the Plan.

JUNIATA VALLEY FINANCIAL CORP.

AMENDED AND RESTATED DIVIDEND REINVESTMENT PLAN

1. PURPOSE OF THE PLAN

The purpose of the Juniata Valley Financial Corp. (“Juniata”) Amended and Restated Dividend Reinvestment Plan (the “Plan”) is to provide holders of record and beneficial holders of Juniata common stock (the “Stock”) a convenient method of investing their dividends and voluntary cash contributions in Stock at a savings over the cost of purchasing the Stock in the open market when the Stock is purchased from Juniata.

2. DEFINITIONS

For purposes of the Plan, the following words or phrases shall have the meanings assigned to them below:

(a) “Authorization Card” shall mean the card or other document designated by the Plan Agent as the required evidence of a shareholder’s election to participate in the Plan.

(b) “Dividend Payment Date” shall mean the date that Juniata pays a dividend to its shareholders.

(c) “Fair market value” on a particular date shall mean:

(i) the closing sale price of the Stock on an established stock exchange or as reported on the Over the Counter Bulletin Board (“OTCBB”) by the National Association of Securities Dealers Automated Quotation System (“NASDAQ”);

(ii) if no closing sale price is reported on the given date, the closing sale price of a share of Stock on the next preceding day on which the Stock was traded, as reported on the OTCBB by NASDAQ; or

(iii) if the Stock is not reported on the OTCBB or on any stock exchange, by the Board of Directors, in its sole discretion.

(d) “Juniata” shall mean Juniata Valley Financial Corp.

(e) “Participant” shall mean a holder of common stock of Juniata who has elected to participate in the Plan by delivering an executed Authorization Card to the Plan Agent.

(f) “Plan Agent” shall mean the Registrar and Transfer Company, Juniata’s transfer agent, and shall also mean any other entity to which Juniata has delegated all or any part of the administrative functions under the Plan.

(g) “Plan Shares” shall mean shares of common stock that have been purchased by a Participant under the Plan and which are held by the Plan Agent in a custodial account for the Participant.

(h) “Record Date” shall mean the date on which a person must be registered as a shareholder on the stock record books of Juniata in order to receive a dividend. Record Dates of Juniata are normally fourteen (14) days prior to the Dividend Payment Date.

(i) “Stock” shall mean the \$1.00 par value common stock of Juniata.

3. AVAILABLE SHARES

Juniata is offering a total of 200,000 shares under the Plan, subject to adjustment in accordance with this Section. If the outstanding shares of Juniata common stock shall be changed into or exchanged for a different number or kind of shares of common stock of Juniata or of another corporation (whether by reason of merger, consolidation, recapitalization, reclassification, stock split, combination of shares or otherwise), or if the number of such shares of common stock shall be increased through the payment of a stock dividend, then there shall be substituted for or added to the maximum number of shares of common stock offered under the Plan, the number and kind of shares into which each outstanding share of common stock shall be exchanged, or to which each such share shall be entitled, as the case may be.

4. ADMINISTRATION

The Plan shall be administered by Registrar and Trust Company, Juniata's transfer agent, as the Plan Agent. Juniata reserves the right to appoint any other entity to administer the Plan and act as the Plan Agent. All Plan Shares will be registered in the name of the Plan Agent (or its nominee) as agent for the Participants. The Plan Shares will be credited to the accounts of the respective Participants as their interests may appear.

5. PARTICIPATION

Subject to the provisions contained in the Plan, all holders of record of the Stock are eligible to participate in the Plan. A beneficial owner whose shares are registered in a name other than his or her own must become a shareholder of record by having all or a part of such shares transferred into his or her own name in order to participate in the Plan.

Juniata reserves the right not to offer participation in the Plan to those shareholders of record who reside in jurisdictions which require registration of the Plan with the securities commission of that jurisdiction.

6. ENROLLMENT

A shareholder of record may enroll in the Plan at any time by completing and signing an Authorization Card and returning it to the Plan Agent. If an Authorization Card requesting reinvestment of dividends is received by the Plan Agent before the Record Date established for a particular dividend, reinvestment will commence with that dividend. If an Authorization Card is received from a shareholder after the Record Date established for a particular dividend, the reinvestment of dividends will begin on the Dividend Payment Date following the next Record Date if the shareholder is still a holder of record at that time. A shareholder who elects to enroll in the Plan may, at the shareholder's option, participate with respect to some, but not all shares of Stock owned of record by that shareholder.

7. VOLUNTARY CASH CONTRIBUTIONS

A Participant may make voluntary cash contributions to the Plan up to a maximum of \$3,000 in any single year, with a minimum of \$500 per deposit. Participants need not invest the same amount from time to time. Participants are under no obligation to make any cash contributions.

For each account for which a Participant desires to make a voluntary cash contribution, the Participant shall forward to the Plan Agent a check drawn from a U.S. bank in U.S. currency payable to the Plan Agent. Participants will not be credited with interest on their voluntary cash contributions. Because the Plan Agent is prohibited from holding voluntary cash contributions for extended periods of time prior to investing them, Participants are strongly encouraged to submit voluntary cash contributions as near as possible to the applicable dividend payment date. Voluntary cash payments may be received by the Plan Agent no more than thirty days prior to any Dividend Payment Date. Any payments received by the Plan Agent earlier than this time will be returned to the Participant. On each Dividend Payment Date, the Plan Agent will apply voluntary cash contributions received before the Record Date to the purchase of Stock for the Participants' accounts. A voluntary cash contribution will not be deemed to have been made by a Participant or received by the Plan Agent until the funds contributed are actually collected.

Voluntary cash contributions will be returned to a Participant: (i) if received more than thirty days prior to the Dividend Payment Date and (ii) upon written request to the Plan Agent, provided that the request is received no later than the last business day prior to the next scheduled Record Date.

8. PURCHASES

On each Dividend Payment Date, Juniata will pay to the Plan Agent the total amount of dividends payable on each Participant's shares of Stock enrolled in the Plan (including Plan Shares) and, except as otherwise directed by Juniata, the Plan Agent shall use that amount, in addition to the Participant's voluntary cash contributions, if any, to purchase Stock for the account of the Participant.

Juniata reserves the right at any time to direct the Plan Agent to purchase Stock in the open market for the Plan. Open market purchases will be made as soon as possible after the applicable Dividend Payment Date, but not more than 30 days after such date. The purchase price to a Participant of Stock purchased in the open market will be the cost (including brokerage commissions) to the Plan Agent of such purchases. In the event that any Stock is purchased in the open market, no Stock will be allocated to a Participant's account until the date on which the Plan Agent has purchased sufficient shares of Stock to cover purchases for all Participants in the Plan. If purchases occur at different prices, the purchase price per share of Stock to all Participants will be based upon the weighted average of the prices of all shares of Stock purchased from Juniata (if any) and in the open market.

Each Participant's account will be credited with the number of whole and fractional shares (calculated to four (4) decimal places) equal to the amount to be invested for the Participant divided by the applicable purchase price.

9. DIVIDENDS

As record holder of the Plan Shares held in Participants' Accounts under the Plan, the Plan Agent will receive dividends on all Plan Shares held on each dividend Record Date. The Plan Agent will credit such dividends to Participants' accounts on the basis of whole or fractional shares held in each account and will automatically reinvest these dividends in the Stock of Juniata.

10. COSTS

No brokerage fees will be charged to Participants in connection with the purchase of Stock from Juniata. Participants will be charged the actual cost (including brokerage commissions) of all Stock purchased in the open market. Decisions whether to purchase Stock from Juniata or in the open market will be made by the Plan Agent, except that Juniata may refuse to sell Stock to the Plan Agent. All other costs of administration of the Plan will be borne by Juniata; however, a reasonable service charge may be assessed at the time of a Participant's withdrawal from the Plan or at any time a share certificate is requested by a Participant.

11. REPORTS TO PARTICIPANTS

As soon as practicable after completion of each investment on behalf of a Participant, the Plan Agent will mail to such Participant a statement showing (i) the amount of the dividend and the voluntary cash contribution, if any, applied toward such investment, (ii) the taxes withheld, if any, (iii) the net amount invested, (iv) the number of shares purchased, (v) the average cost per share, and (vi) the total shares accumulated under the Plan, computed to four decimal places. Annually, each Participant will be provided Internal Revenue Service Form 1099 reporting dividend income received by the Participant.

12. VOTING OF SHARES

For each meeting of shareholders, the Plan Agent will forward a proxy card to each Participant, and will vote the whole Plan Shares in the Participant's Account in accordance with the instructions received from the Participant. Fractional shares will not be voted. The Plan Shares of a Participant who does not return a proxy card will not be voted.

13. CERTIFICATES FOR SHARES

All Plan Shares will be registered in the name of the Plan Agent or its nominee, as agent for the Participants. Certificates for Plan Shares will not be issued to a Participant unless the Participant makes a written request for a certificate. Certificates for any number of whole Plan Shares will be issued to a Participant within 15 days of a signed written request to the Plan Agent. A reasonable fee may be charged for each certificate requested. Any remaining whole or fractional Plan Shares will continue to be held by the Plan Agent as the agent for the Participant. Certificates for fractional shares will not be issued under any circumstances.

14. TERMINATION OF ACCOUNT AND WITHDRAWALS

A Participant may terminate his or her account not less than 15 days prior to any Dividend Payment Date by giving written notice of termination to the Plan Agent. Any notice received less than 15 days prior to any Dividend Payment Date shall not be effective until dividends and other accumulated funds, if any, have been invested and credited to the Participant's account. The Plan Agent may terminate any account by written notice to the Participant and to Juniata. The Plan Agent may charge a reasonable fee for terminating a Participant's account.

Within a reasonable time after termination, the Plan Agent will deliver to the Participant (i) a certificate for all whole Plan Shares held under the Plan and (ii) a check in lieu of the issuance of a fractional share equal to the fractional Plan Share multiplied by the fair market value per share of the Stock on the date of termination. The Plan Agent may assess against the Participant's account any fees associated with the termination of such Participant's account. The Participant shall have no right to give instructions to the Plan Agent with respect to any Plan Shares or cash held in the Participant's account except as expressly provided in the Plan. The Participant may be charged a reasonable fee for issuance of the certificate.

As an alternative, upon termination of participation in the Plan, a Participant may request in writing that all Plan Shares, both whole shares and any fraction of a Plan Share, held for the Participant's account be sold. If a sale of all Plan Shares is specified in the notice of termination, the sale will be made by the Plan Agent, through a stock broker designated by the Plan Agent, as soon as practicable following receipt by the Plan Agent of instructions from the Participant to do so. The proceeds of such sale, less brokerage commissions, any transfer taxes, if any, and any fees relating to termination of the account, will be paid to the terminating Participant.

15. DISPOSITION OF SHARES HELD OF RECORD

After receipt of notice that a Participant has disposed of all shares of Stock registered in his name, the Plan Agent will request instructions from the Participant as to the disposition of the Participant's Plan Shares. If the Plan Agent is unable to obtain instructions within 30 days after the mailing of such request, the Plan Agent may terminate the account and have a certificate issued and delivered for all full Plan Shares in the account, together with cash for any fractional interest in a Plan Share at the current fair market value, or at its discretion, the Plan Agent may continue to reinvest the dividends until otherwise instructed.

16. STOCK DIVIDENDS; STOCK SPLITS; RIGHTS OFFERINGS

Any stock dividends or split shares distributed by Juniata with respect to the Plan Shares of a Participant will be added to the Participant's account as additional Plan Shares. Stock dividends or stock split shares distributed with respect to shares of Stock registered in a Participant's name will be mailed directly to the Participant in the same manner as to shareholders who do not participate in the Plan.

In the event of a rights offering by Juniata, the Plan Agent may either sell all rights received with respect to Plan Shares held of record by the Plan Agent or, in its discretion, the Plan Agent may distribute the rights to Participants. If the Plan Agent sells all rights received with respect to Plan Shares, the Plan Agent will invest the proceeds of sale in additional shares of Stock, which will be retained by the Plan Agent as custodian and credited proportionately to the accounts of the Participants. Participants who wish to exercise the rights must request the Plan Agent to forward a share certificate to the Participant as provided in Section 13 of this Plan. Requests for share certificates must be made prior to the record date for exercising such rights. Rights on shares of Stock registered in the name of a Participant will be mailed directly to the Participant.

17. AMENDMENT OR DISCONTINUANCE OF THE PLAN

Juniata may amend, supplement, suspend, modify or terminate the Plan at any time without the approval of the Participants. Thirty (30) days' notice of any suspension or material amendment shall be sent to all Participants, who shall in all events have the right to withdraw from the Plan.

18. INTERPRETATION OF THE PLAN

Any question of interpretation arising under the Plan will be determined by the Board of Directors of Juniata pursuant to applicable federal and state law and the rules and regulations of all regulatory authorities, and such determination shall be final and binding on all Participants.

19. NOTICE TO PARTICIPANTS

Any notice to the Participants may be given by letter addressed to the Participant at the Participant's last address of record with Juniata. The Participant agrees to give prompt written notice to Juniata of any change of address.

20. DUTIES AND RESPONSIBILITIES

Neither Juniata, the Plan Agent, nor their nominees shall have any responsibility beyond the exercise of ordinary care for any action taken or omitted pursuant to the Plan, nor shall they have any duties, responsibilities or liabilities except such as are expressly set forth herein. Neither Juniata nor the Plan Agent shall be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims of liability (a) with respect to the time or prices at which Stock is purchased or sold for a Participant's account, or any inability to purchase or sell Stock, for any reason, (b) for any fluctuation in the market value after purchase or sale of Stock, or (c) arising out of failure to terminate the Participant's account upon the Participant's death prior to receipt of notice in writing of the Participant's death.

21. GOVERNING LAW

This Plan is governed by the laws of the Commonwealth of Pennsylvania.

Juniata Valley Financial Corp.

Amended October 14, 2005
